

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
OCTOBER 6, 1997
DOCKET NO. 97-249-C - ORDER NO. 97-850

198

IN RE: PROCEEDING TO CONSIDER REVISION) ORDER
OF THE APPLICATION FORM AND)
GUIDELINES FOR CUSTOMER OWNED)
COIN OR COINLESS PAY TELEPHONES)

This matter comes before the Public Service Commission of South Carolina on our proceeding to consider revision of the application form and guidelines for customer owned coin or coinless pay telephones.

In June, 1997, the Commission Staff discussed with the Commission the need to revise and update the application form and the Commission guidelines in this area as a result of the Federal Communication Commission's (FCC's) decision on restructuring the payphone industry. We instructed Staff to initiate a proceeding to address the revisions and updates, and to notify the appropriate parties of the proceeding. Accordingly, Staff published a Notice of Proceeding one time in a newspaper of general circulation. The Notice contained instructions on how an interested party could participate in the proceeding.

As the result of our Notice, Petitions to Intervene were received from AT&T Communications of the Southern States, Inc. (AT&T), the South Carolina Public Communications

Association (SCPCA), BellSouth Public Communications, Inc. (BellSouth), the South Carolina Telephone Association (SCTA), the South Carolina Telephone Coalition (SCTC), United Telephone Company of the Carolinas (United), and GTE South, Inc. (GTE).

Once Staff developed the proposed revised guidelines, written comments were received, and Staff and the intervenors had meetings in order to attempt to resolve as many issues as possible before the Hearing in this matter. The meetings were successful, in that a Stipulation was reached on all but five guidelines. Although the Commission Staff did not enter into the Stipulation, Staff witness Lacoste stated that Staff had no objections to it. This Stipulation is attached hereto as Exhibit A, which we approve and adopt as part of this Order.

Pursuant to the Stipulation, only five issues were considered at the hearing, which was conducted on September 10, 1997 at 10:30 am in the offices of the Commission, with the Honorable Guy Butler presiding. The Commission Staff (the Staff) was represented by F. David Butler, General Counsel. The Staff presented the testimony of David S. Lacoste. With regard to the intervenors, AT&T was represented by Francis P. Mood, Esq. and Steve A. Matthews, Esq. AT&T presented the testimony of James M. Mertz. SCPCA was represented by John F. Beach, Esq. SCPCA presented the testimony of Walter Rice. BellSouth was represented by Robert A. Culpepper, Esq. and William F. Austin, Esq. BellSouth presented no witnesses. Both SCTA and SCTC were represented by Margaret N. Fox, Esq.

SCTC presented the testimony of L.B. Spearman. United was represented by Richard L. Whitt, Esq. United presented no witnesses. GTE South, Inc. was represented by Steven W. Hamm, Esq. GTE presented the testimony of John H. Christensen.

The five matters left unsettled after the Stipulation are as follows: 1) the posting of the payphone location's phone number (Staff proposed guideline No. 5); 2) the placement of directories at the payphone locations (Staff proposed guideline No. 11); 3) the Commission's role regarding the blocking of incoming calls (Staff proposed guideline No. 18); 4) the connection of a payphone to a separate access line, versus connection via a trunking arrangement (Staff proposed guideline No. 20; and 5) the inclusion of a statement within the guidelines which would indicate that these guidelines supercede any inconsistent tariff filings.

With regard to the posting of the payphone location's phone number, we note that SCTC supports Staff's proposed guideline. SCTC witness L.B. Spearman notes that the telephone number on the set is utilized by service technicians of the access line provider for identification purposes, and the general public that would need the number should a situation occur where emergency services are needed. SCPA and GTE disagree. We believe, however, that SCTC witness Spearman states compelling reasons for the guideline, and we hereby adopt it.

As for the placement of directories at payphone

locations, Spearman also states SCTC's support. We note that telephone directories provide important information to the general public and prevent customers from having to expend funds to access directory assistance and community service information. The directories also provide the primary method of contacting essential services. Accordingly, we adopt this guideline as well. We agree with the language that if "such placement is unfeasible, a clearly posted statement should indicate that a directory is available on request from the premises attendant." We believe that this will aid customers in situations where it is not practical to place a directory.

Also, we adopt the guideline that will allow us to continue to rule on whether or not incoming calls should be blocked to a particular payphone. We believe that two way calling from payphones should remain the rule, rather than the exception for the benefit of the general public. However, we do realize that certain instances occur wherein incoming calls are most appropriately blocked, especially when such instances have the endorsement of the local police department. We believe that, contrary to the testimony of SCPA, we should continue to retain control of such blocking for the good of the public. Also, we approve of the language in the guidelines which requires the payphone service provider to arrange with the Local Exchange Carrier (LEC) to have an intercept placed on the line which indicates to the caller that the called number is unavailable to receive incoming calls. This will let the caller know that he or she

is attempting to call a "blocked" phone.

With regard to the SCPCA proposed inclusion of a statement which states that the guidelines are superior to any individual tariff provision, we decline to approve such a provision. We see no real need to include such a statement, since we believe that each individual situation must be examined on its own merits. We agree with the Coalition that LECs have the right to enforce applicable tariff provisions, as long as they do not violate any state or federal laws.

Staff's proposed Guideline 20 appeared to generate the most controversy in this proceeding. This guideline concerned a requirement that payphones must be connected to a certified LEC with a separate access line which is designated and tariffed for that purpose. According to the guideline, if adopted, payphones could not be connected behind a PBX, concentrator, or other similar arrangement.

SCTC supports retaining this Guideline. SCTC testimony was that a single line per payphone is essential in identifying and responding to emergency calls originating from payphones. Further, SCTC states that quality of service demands a single phone line per payphone, based on the possible compromise of the integrity of the conversation if this guideline was not adopted and the assertion that if a bank of payphones was tied into a hotel PBX, that there is no guarantee that a person wanting to use a payphone would be able to draw dialtone to make a call. GTE also supports this position.

SCPCA and AT&T however, oppose adoption of the guideline. AT&T witness Mertz testified that adoption of this guideline would increase the expense of providing payphone service by requiring an unnecessary separate access line for each payphone. Further, according to Mertz, allowing placement of payphones behind PBXs would make more payphones available for the general public.

We have examined all the testimony on this issue and conclude that we still do not have enough information available to make a decision on whether or not Guideline 20 should be adopted by us. We therefore decline to adopt this guideline at this time, however, we order that Staff shall obtain additional information about this guideline, and report its findings back to the Commission.

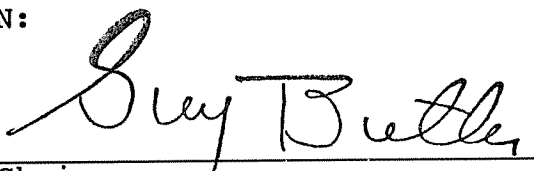
We also note that the term "COCOTS" or "Customer Owned Coin Operated Telephones" is no longer valid with the passage of the Telecommunications Act of 1996 (the Act). Hereinafter, we shall refer to these guidelines as applying to all "Payphone Service Providers," which is consistent with the terms of the Act.

As per our discussion above, we hereby adopt all of Staff's proposed Guidelines, except No. 20. Staff shall provide us with additional information about this particular guideline, prior to our making any decision on it.

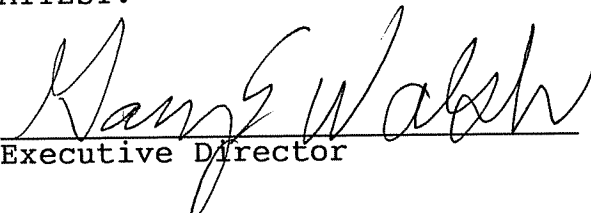
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This Order shall remain in full force and effect until
further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Deputy
Executive Director

(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-249-C

IN RE:)	
)	
Proceeding to Consider Revision)	
of the Application Form and)	STIPULATION
Guidelines for Customer Owned)	
Coin or Coinless Pay Telephones)	
_____)	

WHEREAS, the South Carolina Public Service Commission (the "Commission"), by its Order No. 97-514 and a letter dated July 16, 1997 from R. Glenn Rhyne of the Commission Staff, established a schedule whereby interested parties could submit comments, suggested revisions, and additions to the Proposed Guidelines for Payphone Service Providers (the "Proposed Guidelines"), posted by the Commission Staff on June 12, 1997; and

WHEREAS, the Commission Staff held a Workshop to discuss the Proposed Guidelines on Friday August 8, 1997 at 10:00 am at the Offices of the Commission, and some or all of the interested Parties attended; and

WHEREAS, the Parties determined during the Workshop that certain Proposed Guidelines were acceptable to all Parties and should be adopted as Guidelines for Payphone Service Providers; and

WHEREAS, the Parties determined that certain Guidelines proposed by the Commission staff and other parties are not acceptable to all Parties, and therefore should be

considered by the Commission at the Hearing to be held in this Docket;

NOW THEREFORE, the Parties hereby agree to the following:

Proposed Guidelines to be Adopted. The parties agree that the following Proposed Guidelines are acceptable and shall become Guidelines for Payphone Service Providers, subject to approval by the Commission:

PART 1 - INFORMATION AND POSTING REQUIREMENTS

- 1) The correct rate and applicable time units (if any) for a local coin sent call.
- 2) Instructions concerning access to 911 and/or other appropriate emergency numbers.
- 3) Instructions concerning access to directory assistance (DA), both local (411) and intrastate (1-Area Code-555-1212).
- 4) Name of the PAYPHONE owner or responsible party.
- 6) Appropriate address, phone number(s) or instructions for refunds, service and/or repair concerning problems with or operation of the PAYPHONE.
- 7) Name(s) of local and/or presubscribed Interexchange Carrier (IXC) long distance service provider(s) and appropriate operator access or dialing instructions (0 or 00).
- 8) A statement which indicates that non-coin sent calling rates are available upon request by dialing the appropriate local (0) or long distance (00) operator.
- 9) Where a PAYPHONE will not accept standard coin denominations, specific information and/or instructions concerning acceptability of types of money deposits (nickels, dimes, quarters, quarters only, dollars, credit or charge cards, etc.) shall be posted.

- 10) Instructions concerning 'dial-around' IXC access complying with FCC requirements (1-0-XXX, 950, 1-800/888, & etc.).
- 12) If a PAYPHONE cannot receive incoming calls, a statement indicating that incoming calls cannot be received shall be clearly posted on the instrument.
- 13) Other posting requirements as mandated by the FCC.

PART 2 - CONNECTION, SETUP & OPERATION

- 14) All coins must be returned in the event of an incomplete call.
- 15) PAYPHONES should allow readily obtainable access to all available interexchange carriers via the carrier's or customer's choice of access.
- 16) Rates charged for intrastate long distance calls should be no higher than the highest current rates charged by any SCPSC certified carrier.
- 17) The following types of calls should be available without a coin deposit:
 - A) 911 and/or other appropriate emergency numbers,
 - B) Operator access (both '0' and '00'),
 - C) Access to Telephone Relay Services (TRS),
 - D) Calls for service, repair & refunds,
 - E) 800/808,
 - F) 1-0-XXX, 950, 1-800/88 and other appropriate means of Interexchange Carrier (IXC) access.
- 19) PAYPHONE providers must utilize only SCPSC certified local and interexchange carriers with which to interconnect for local services. PAYPHONES connected to

‘wireless’ carriers are exempted from this requirement.

- 21) PAYPHONES must be connected to a certified carrier’s network so as to be in compliance with all applicable tariff requirements and Part 68 of the Federal Communications Commission’s (FCC) Rules & Regulations. Additionally, PAYPHONES should be installed and maintained according to applicable guidelines contained within the National Electric Safety Code, the Americans with Disabilities Act, Uniform Federal Accessibility Standards, and other generally accepted telecommunications industry standards.

PART 3 - CERTIFICATION, COMPLIANCE & REPORTING REQUIREMENTS


- 22) All PAYPHONE providers must file with the PUBLIC SERVICE COMMISSION, on or before October 1, annual report information pertinent to the provider’s total South Carolina operations for the preceding calendar year (See Attachment #1 - ANNUAL REPORT FORM). This information should include:
- The provider’s name, SCPSC certification number, Federal Employee Identification or Social Security (FEI/SS) number and updated address, phone number & appropriate contact person(s) information
 - Intrastate gross receipts (12 months ending 6/30)
 - Total number of stations as of 6/30
- 23) PAYPHONE providers must request, receive and maintain SCPSC certification.
- 24) PAYPHONE providers are expected to make all reasonable efforts to set-up and routinely maintain their instrument(s) so as to conform with these guidelines.

- 25) The staff of the SCPSC may perform routine inspections so as to insure compliance with these guidelines and other applicable PUBLIC SERVICE COMMISSION mandates. The PAYPHONE provider will be contacted concerning any findings of failures to abide by the above guidelines; to which the provider is expected to respond. Blatant disregard for the Commission's guidelines may result in service disconnection and/or revocation of certification; after appropriate due process.
- 26) Certifications for PAYPHONE providers for whom annual report information is not received on or before October 1 are subject to revocation; after appropriate due process.

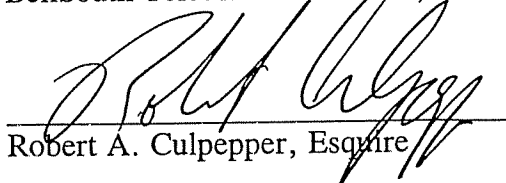
The parties submit this Stipulation to the Commission for its approval. This Stipulation represents a compromise which all parties hereto recommend to the Commission with the understanding that if this settlement is not approved in its entirety, each party is free to withdraw from this Stipulation and settlement and to litigate all issues in this Docket.

WE AGREE TO THE ABOVE.

South Carolina Telephone Coalition:


Margaret M. Fox, Esquire

BellSouth Telecommunications, Inc.

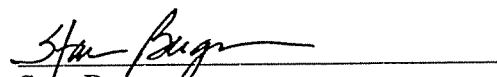

Robert A. Culpepper, Esquire

AT&T Communications, Inc.:

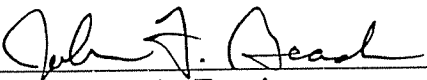
Sinkler Boyd, P.A.
By James R. Allard

Steve A. Matthews, Esquire
A. Horvath for AT&T

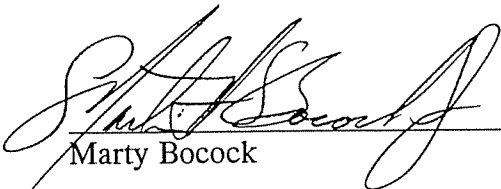
GTE South, Incorporated:


Stan Bugner

South Carolina Public Communications
Association:


John F. Beach, Esquire

Sprint/United:


Marty Bocock

August 26, 1997

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ATTACHMENT I

SOUTH CAROLINA PUBLIC SERVICE COMMISSION
ANNUAL REPORT INFORMATION ON SOUTH CAROLINA OPERATIONS OF
PAYPHONE SERVICE PROVIDERS
F/Y ENDED JUNE 30

CERTIFICATED NAME SCPSC CERTIFICATE NUMBER

ADDRESS FEI/SS NUMBER

CITY, STATE, ZIP CODE TELEPHONE NUMBER

(A) INTRASTATE GROSS RECEIPTS:

TWELVE MONTHS ENDED JUNE 30 \$

(B) TOTAL NUMBER OF STATIONS:

TWELVE MONTHS ENDED JUNE 30 \$

[] WILL NOT ENGAGE IN FUTURE PAYPHONE SERVICE ACTIVITY WITHIN SOUTH CAROLINA. PLEASE REMOVE NAME FROM CERTIFICATION LIST.

SIGNATURE TITLE

NAME (TYPE OR PRINT) FAX TELEPHONE NUMBER

TO BE COMPLETED AND RETURNED ON OR BEFORE OCTOBER 1. RETURN TO

SOUTH CAROLINA PUBLIC SERVICE COMMISSION
(ACCOUNTING DEPARTMENT)
P.O. DRAWER 11649
COLUMBIA, SC 29211